



S/N 10/750,052

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Brian Alan Grove et al. Examiner: Yogesh C. Garg
Serial No.: 10/750,052 Group Art Unit: 3625
Filed: December 30, 2003 Docket No.: 2043.036US1
Title: METHOD AND SYSTEM TO ADJUST A SELLER FIXED PRICE OFFER

PRE-APPEAL BRIEF REQUEST FOR REVIEW

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Commissioner for Patents
P.O. Box 1450
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Applicants request review of a final rejection in the above-identified application mailed June 26, 2007 and the Advisory Action mailed September 17, 2007. No amendments are being filed with this request. This request is being filed with a Notice of Appeal. The review is requested for the reasons stated below:

§103 Rejection of the Claims

Claims 15-18, 21, 51-54, 57, 87-90, 93 and 116-119 were rejected under 35 U.S.C. §103(a) as being unpatentable over Nishi (U.S. Publication No. 2002/0161691A1; hereinafter Nishi) in view of Holden et al. (U.S. Publication No. 2001/0032175A1; hereinafter Holden).

Applicants respectfully submit that the rejection of the above mentioned claims under 35 U.S.C. §103 is defective for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application and a person having ordinary skill in the art is not motivated to make the recited combination in the claims.

Applicable Law

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. *See* M.P.E.P. §2142. In the recent decision of the Supreme Court on *KSR Int'l Co. v. Teleflex Inc.*¹, the analysis of obviousness previously set forth in *Graham v. John Deere Co. of Kansas City*², was reaffirmed. The Court in *Graham* set out an objective analysis for applying §103 as follows:

“Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or

¹ 127 S.Ct. 1727, 82 USPQ.2d 1385 (2007).

² 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966).

nonobviousness of the subject matter is determined.”³

When claim elements are found in more than one prior art reference, the fact finder must determine “whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor, would have been led to make the combination recited in the claims.” *In re Kahn*⁴. In so doing, the Examiner must make the factual determinations set forth in *Graham v. John Deere Co. of Kansas City*⁵. Further, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*⁶. “All words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*⁷. Office personnel must rely on the applicant’s disclosure to properly determine the meaning of the claims. *Markman v. Westview Instruments*⁸.

Claim 87 includes the following limitation:

notifying automatically one or more bidders of the adjustment of the reserve price

The Final Office Action, in rejecting claim 87, contends that the above limitation is taught/suggested by the following from Holden:

When a user has been granted access to a scheduled auction, the user is automatically notified with an invitation message in block 705. The system automatically opens the auction at the scheduled time, and an additional reminder invitation message is sent to the authorized users via e-mail. Throughput the auction, a variety of auction events will trigger additional automatic e-mail messages to the users authorized for that auction in block 707, as described above. The system will automatically close an auction at the scheduled end time.

Holden, paragraph 92 (first quote).

28. A system as recited in claim 22, wherein posting an auction is performed using an auction representative interface and once posted, the auction representative interface

³ The Court in *KSR v. Teleflex*, at page 1730, quoted the analysis of *Graham* from page 18.

⁴ 441 F.3d 977, 988, 78 USPQ2d 1329, 1337 (Fed. Cir. 2006).

⁵ 383 U.S. 1 at 467.

⁶ 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

⁷ 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

⁸ 52 F.3d 967, 980, 34 USPQ2d 1321, 1330 (Fed. Cir.) (*en banc*), *aff ’d*, U.S., 116 S. Ct. 1384 (1996).

creating an event which triggers an automatic message for automatically notifying the posting auction representative of winning bidders of the posted auction.

Holden, claim 28 (second quote).

The above quotes from Holden relate to messages. The first quote relates to an automatic e-mail message. Automatic e-mail messages are triggered throughout an auction to users. For example, a user may be notified when the user has been granted access to a scheduled auction. The second quote relates to an automatic message. The automatic message is for notifying a posting auction representative of winning bidders.

Claim 87 requires an automatic notification of one or more bidders of an adjustment of a reserve price. In contrast, the first quote from Holden relates to automatic e-mail messages that are triggered throughout an auction to users. Specifically, the first quote fails to teach or suggest notification of one or more bidders, much less the notification of an adjustment of a reserve price. The second quote also fails to teach or suggest the limitations of the claim 87. The second quote relates an automatic message that is for notifying a posting auction representative of winning bidders. Clearly the “notification a posting auction representative” from claim 28 of Holden is not the same as a notification of bidders, as required by claim 87. Further, notification of “a posted auction” as recited by claim 28 of Holden is not the same as a notification of an adjustment of a reserve price, as required by claim 87.

Moreover, Holden "teaches away" from the limitations of claim 87. Specifically, Holden teaches away by relating a bidding screen that does not show a reserve price (Holden, Paragraph 28). Indeed, Holden may use the reserve price as a bidding limit to prevent a sale at a catastrophically low price. Nevertheless, Holden explicitly states, with reference to the reserve price and the bidding screen, “The reserve price is not shown” (*Id.*). To be sure, a review of Holden yields no description whereby the reserve price is disclosed to the bidders. Accordingly, Holden may be said to provide a written description (Holden, Paragraph 11) that is based on a definition of a “Reserve Price” (Holden, Paragraph 28) that is secret and thereby discourages the solution claimed or teaches away from the above quoted requirements of claim 87.

Holden therefore cannot be said to teach or suggest the above quoted limitation because Holden relates a reserve price that may be said to be secret and claim 87 requires an automatic notification of one or more bidders of an adjustment of a reserve price.

Further, Nishi cannot provide what Holden lacks because Nishi, whether considered separately or in combination with Holden, also fails to describe an automatic notification of one or more bidders of an adjustment of a reserve price, as required by claim 87 (Response to Office Action mailed December 22, 2006). Indeed, the Advisory Action states:

...it would be implied that Nishi, via its computerized system communicated the adjustment of the reserve to the bidders enabling them to consider it before making bids.

Advisory Action, page 2.

Accordingly, the Advisory Action maintains that a person of ordinary skill in the art would be motivated to look to Holden for the reason that such a notification would enable efficient and real time communication of a change on ongoing auction terms (*Id.*). However, Nishi provides no such motivation because Nishi relates that when a “reserve price is modified, the goods are sold at the bidding prices that the reserve price modification specified” (Nishi, paragraph 72). In other words, Nishi relates a reserve price modification that terminates the auction. Accordingly, no motivation is present to look to Holden for a “real time communication of a change on ongoing auction terms” because there is no ongoing auction and consequently no reason for the bidders to consider an adjustment of the reserve price before making bids because the bidders may no longer bid.

In summary, a person having ordinary skill in the art is not motivated to combine Nishi with Holden in combination with Nishi does not teach or suggest each and every limitation of claim 87. Thus, claim 87 is patentable in view of Holden and Nishi combination and should be allowed.

The above remarks are also applicable to a consideration of independent claims 15, 51, and 116 which are patentable in view of Holden et al. and Nishi combination and should be allowed for at least the reasons articulated with respect to claim 87.

In addition, if an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 16-18, 21, 52-54, 57, 87-90, 93 and 117-119 under 35 U.S.C. §103 is also addressed by the above remarks.

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Claims 19-20, 55-56 and 90-91 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Nishi and Holden et al. in view of Herschkorn (U.S. Patent No. 6,691,094; hereinafter Herschkorn).

Further, Herschkorn cannot describe an automatic notification of one or more bidders of an adjustment of a reserve price because Herschkorn fails to describe an auction, much less a an adjustment of a reserve price. Thus, Herschkorn, whether considered separately or in combination with Nishi and Holden et al., fails to disclose or suggest notifying automatically one or more bidders of the adjustment of the reserve price, as required by claims 19-20, 55-56 and 90-91 by virtue of their being dependent on claims 15, 51, and 87 respectively. Therefore, claims 19-20, 55-56 and 90-91 are patentable in view of Herschkorn, Nishi, and Holden et al. combination and should be allowed.

CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4046 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,
BRIAN ALAN GROVE ET AL.
By their Representatives,

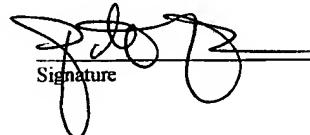
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CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: MS AF, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 26 day of August, 2007.

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